## REMARKS

Applicant respectfully requests reconsideration of the present application in view of the foregoing amendments and in view of the reasons that follow. Claims 1 and 50-53 have been amended. New Claim 78 has been added. Support for the claim amendments can be found throughout the specification and original claims. Applicant respectfully submits that no new matter has been added. Claims 1-6, 8-21, 37-41, 43-54, 70-72, 74, 75, and 77 are pending in this application.

### I.     Claim Rejections Under 35 U.S.C. § 102(e)

On page 2 of the Office Action, Claims 1-6, 8-21, 37-54, 70-72, 74-75, and 77 were rejected under 35 U.S.C. § 102(e) as being anticipated U.S. Patent No. 7,343,329 to Sharp (Sharp). Applicant respectfully traverses the rejection. Accordingly, Applicant respectfully submits that Sharp fails to teach, suggest, or disclose all of the elements of at least independent Claims 1, 37, 70, and 71.

*Claims 1, 37, 70, and 71*

Independent Claim 1 recites:

> **storing a storage element item in a computerized vending machine;**
>
> receiving a first selection associated with an electronic item through an input interface of the computerized vending machine;
>
> **electronically receiving a second selection associated with a physical item** through the input interface of the computerized vending machine, wherein the physical item includes the storage element;
>
> **storing the electronic item in the storage element of the physical item** in response to the received first selection and the received second selection; and
>
> the computerized vending machine **providing the physical item**, wherein the electronic item is accessible from the physical item.

(Emphasis added).  Independent Claim 37 recites:

wherein said program code, when executed by said processor, causes said system to perform operations comprising:

receiving a first selection associated with an electronic item;

**receiving a second selection associated with a physical item,** wherein the physical item includes a storage element;

**storing the electronic item in the storage element of the physical item** in response to the received first selection and the received second selection; and

**providing the physical item,** wherein the electronic item is accessible from the physical item.

(Emphasis added). Independent Claims 37, 70, and 71, though of different scope, recite similar features.

On pages 2-3 of the Office Action, the Examiner asserted:

Sharp discloses ... electronically receiving a second selection associated with a physical item through the input interface of the computerized vending machine, wherein the physical item includes a storage element see Col 10 Ln 6-14;

storing the electronic item in the storage element of the physical item in response to the received first selection and the received second selection see Col 10 Ln 18-26; and

the computerized vending machine providing the physical item wherein the electronic item is accessible from the physical item see Fig. 5.

Applicant respectfully submits that Sharp fails to disclose the elements of Claims 1, 37, 70, and 71 as asserted by the Examiner. Column 10, lines 6-14 of Sharp state:

If the user is satisfied with the operation of the selected application program and decides to purchase or to rent the selected application program or content, the user may exit the test mode by pressing, for example, button 240, wirelessly via PDA 210, or by interacting with touch screen display 110.

Column 10, lines 18-26 of Sharp state:

Once purchased, **the selected application program can be downloaded** into PDA 210, either via contacts from cradle 220, via a wireless communication link (e.g., via a Bluetooth, Infrared, or other wireless link). Furthermore, **the software or**

> **content can be downloaded** onto removable storage media
> inserted into removable storage slot 117. The removable media
> can then be inserted into PDA 210 and the software or content
> can then be downloaded into PDA 210.

(Emphasis added). Column 11, lines 1-8 of Sharp state:

> Fig. 5 is an illustration of a software distribution network 500
> in accordance with an embodiment of the present invention that
> makes use of software ATMs 100. ... The software ATMs 100
> are **capable of dispensing computer programs** to a plurality
> of PDAs 210.

(Emphasis added).

As such, Sharp teaches purchasing software or other downloadable content and downloading it to a storage medium such as a PDA via the software ATM. The storage medium is provided by the user. Applicant respectfully submits that Sharp fails to teach, suggest, or describe "receiving a second selection associated with a physical item", "storing the electronic item in the storage element of the physical item in response", or "providing the physical item" as recited in Claim 1 and similarly recited in Claims 37, 70, and 71. Sharp discloses that computer programs or software are transferred electronically from the software ATM to a user's device such as a PDA. The user selects the software, observes a trial version, and purchases the software. The software is then downloaded to a user's PDA or removable storage device. The software ATMs of Sharp provide only software or downloadable content. The software ATMs fail to provide any type of physical item associated with this software or downloadable content or on which the software or content is stored.

Applicant respectfully submits that Sharp also fails to teach "storing a storage element in a computerized vending machine" as recited in Claim 1. As shown above, Sharp discloses that a purchased software application can be downloaded "onto removable storage media inserted into removable storage slot 117." (Column 10, lines 22-24). Alternatively, the software application can be downloaded onto a user's PDA. As such, the removable storage media is provided by and inserted into the removable storage slot by the user and not the software ATM.

For at least these reasons, Applicant respectfully submits that Sharp fails to teach, suggest, or describe all of the elements of Claims 1, 37, 70, and 71. Claims 2-6, 8-21, 38-54, 72, 74-75, and 77 depend from one of Claims 1, 37, 70, and 71. Therefore, Applicant respectfully requests the withdrawal of the rejection of Claims 1-6, 8-21, 37-41, 43-54, 70-72, 74, 75, and 77.

*Claims 12-19 and 47-53*

On page 3 of the Office Action, the Examiner asserted "[r]egarding Claim 12-19, 47-53, Sharp discloses the physical entity taking many forms including rings, watches, jewelry and cards see Col 9 Ln 43-52." Column 9, lines 41-52 of Sharp state:

> In another embodiment, software ATM 100 may have no user interaction devices ... at all. This allows vendors to locate software ATM 100 away from public view if so desired. In one embodiment, a user can be made aware of the presence of software ATM 100 using the Bluetooth discovery process if the user's PDA is configured for this. All displays and user interaction are accomplished using PDA 210 which wirelessly communicates the user selections to software ATM 100. Payment can be made using credit card information stored on PDA 210, E-wallet, a gift certificate stored on PDA 210, etc.

Thus, column 9, lines 41-52 of Sharp fail to disclose any physical entity whatsoever corresponding to the "physical item" or "physical entity" of Claims 12-18 and 47-53. Column 9, lines 41-52 of Sharp describe a software ATM that may be hidden from view and communicated with via wireless communications only. In this way, payment and downloads from the software ATM are performed wirelessly. Sharp further discloses that payment may be made with credit card information from the PDA, an E-wallet, or a gift certificate. However, nowhere does Sharp disclose a physical item such as a temporary tattoo, a nail treatment, jewelry, or physical entity cosmetic attributes as recited in Claims 12-18 and Claims 47-53.

Claim 19 recites "wherein access restrictions are imposed for said electronic item." Column 9, lines 43-52 of Sharp also fail to disclose "access restrictions are imposed for said electronic item" as recited in Claim 19.

For at least these additional reasons, Applicant respectfully submits that Sharp fails to teach, suggest, or describe all of the elements of Claims 12-19 and 47-53. As such, Applicant respectfully requests that the rejection of Claims 12-19 and 47-53 be withdrawn.

*Claim 70*

Claim 70 additionally recites the element of a "physical entity provisioning hardware." As discussed above, Sharp fails to disclose "the computerized vending machine providing the physical item." Sharp discloses only that a software ATM provides downloadable software and content to storage media. As such, Sharp fails to disclose "physical entity provisioning hardware." Accordingly, Sharp fails to disclose at least this element of Claim 70. As such, Applicant respectfully requests that the rejection of Claim 70 and Claim 75, which depends from Claim 70, be withdrawn.

## II.    **New Claim 78**

New Claim 78 recites:

> means for receiving a first selection associated with an electronic item;
>
> means for electronically receiving a second selection associated with a physical item, wherein the physical item includes a storage element;
>
> means for storing the electronic item in the storage element of the physical item in response to the received first selection and the received second selection; and
>
> means for providing the physical item, wherein the electronic item is accessible from the physical item.

As discussed above, Sharp fails to teach, suggest, or disclose "electronically receiving a second selection associated with a physical item", "storing the electronic item in the storage element of the physical item", and "providing the physical item." Accordingly, Applicant respectfully submits that Claim 78 is in condition for allowance.

Applicant believes that the present application is in condition for allowance. Favorable reconsideration of the application as amended is respectfully requested.

The Examiner is invited to contact the undersigned by telephone if it is felt that a telephone interview would advance the prosecution of the present application.

The Commissioner is hereby authorized to charge any additional fees which may be required regarding this application under 37 C.F.R. §§ 1.16-1.17, or credit any overpayment, to Deposit Account No. 19-0741. Should no proper payment be enclosed herewith, as by the credit card payment instructions in EFS-Web being incorrect or absent, resulting in a rejected or incorrect credit card transaction, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 19-0741. If any extensions of time are needed for timely acceptance of papers submitted herewith, Applicant hereby petitions for such extension under 37 C.F.R. §1.136 and authorizes payment of any such extensions fees to Deposit Account No. 19-0741.

Respectfully submitted,

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By

Callie M. Bell
Attorney for Applicant
Registration No. 54,989

FOLEY & LARDNER LLP
Customer Number: 23524
Telephone: (608) 258-4263
Facsimile: (608) 258-4258

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